

California Postsecondary Education Commission



Minutes Meeting of December 14-15, 2004

COMMISSIONERS PRESENT

Howard Welinsky, Chair
Olivia K. Singh, Vice Chair
Alan S. Arkatov
Irwin S. Field
Lance T. Izumi
Velma Montoya
Hugo Morales
Guillermo Rodriguez, Jr.
Rachel Shetka
Faye Washington
Glee Johnson, *Alternate*
Kathleen E. Kaiser, *Alternate*

COMMISSIONERS ABSENT

Ruth E. Green
Evonne Seron Schulze
Dezie Woods-Jones

CALL TO ORDER

Commission Chair Welinsky called the December 14, 2004, meeting of the California Postsecondary Education Commission to order at 9:45 a.m. in Senate Committee Room 112 of the State Capitol, Sacramento. He welcomed Commissioner Lance Izumi, who previously served on the Commission and is now representing the Board of Governors of the California Community Colleges. He also welcomed Glee Johnson, alternate representative from the State Board of Education.

CALL OF THE ROLL

Executive Secretary Anna Gomez called the roll for the first day of the Commission Meeting.

APPROVAL OF THE MINUTES

Chair Welinsky called for a vote to approve the September 7-8, October 8, and October 20, 2004, Commission meeting minutes. The minutes were approved unanimously.

PROPOSED 2005 COMMISSION MEETING DATES

Chair Welinsky presented the proposed 2005 meeting dates for the Commission. The Commission unanimously approved the following 2005 meeting dates:

February 3, 2005	Teleconference
March 22-23	Regular Commission Meeting
May 5	Teleconference
June 21-22	Regular Commission Meeting
August 4	Teleconference
September 6-7	Regular Commission meeting
October 20	Teleconference
December 6-7	Regular Commission Meeting

Chair Welinsky reminded the Commission of the bylaws which state that any member of the Commission who misses more than one third of the meetings forfeits his or her office. He proposed that for the purpose of this section a meeting is defined to be a regular meeting, that a two-

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day meeting falls into a one-meeting category, and at the year-end, attendance would be reviewed with appropriate action.

REPORT OF NOMINATING COMMITTEE, ALAN S. ARKATOV, CHAIR

Committee Chair Arkatov presented the slate of nominees for 2005 and the Commission unanimously approved the following slate of officers:

Howard Welinsky, *Commission Chair*
Olivia K. Singh, *Commission Vice Chair*

Nominating Committee:

Alan S. Arkatov, *Chair*
Guillermo Rodriguez, Jr., *Member*
Hugo Morales, *Member*

Committee on Education Code Section 66905:

Alan S. Arkatov, *Chair*

REPORT OF THE EXECUTIVE DIRECTOR

Chair Welinsky called on Executive Director Murray Haberman to present the Director's report. Director Haberman presented a progress report on three main issues: accountability, nexus between postsecondary education and workforce development, and academic preparation and outreach. He also reported on the local Community College Bond Initiatives that passed on the November 2004 ballot.

Director Haberman reported on the collection of data pursuant to AB 1570 and regarding the 2001 Eligibility Study. He reported on his attendance at the High School Summit sponsored by Superintendent O'Connell and its focus on increased academic standards. Director Haberman also reported that there have been no specific recommendations from the California Performance Review by the Governor; however, it is anticipated that there will be some proposal for the Commission's consolidation. He reported that he is starting the interview process to hire a Legislative Director for the Commission. Director Haberman completed his report with the announcement that the CPEC office is scheduled to move its location by either April 1 or May 1, 2005, to 770 L Street, Eleventh Floor. The office space is being remodeled with a conference room that will accommodate Commission meetings. It is anticipated that the June 21-22, 2005, commission meeting will be held at the new site.

REPORT OF THE STATUTORY ADVISORY COMMITTEE

Todd Greenspan, Statutory Advisory Committee representative from the University of California, presented a brief report of the December 6, 2004, meeting. Mr. Greenspan reported that Committee Chair Karen Y. Zamarripa was in New Orleans receiving a national award. He announced there would be a new Chancellor appointed to the University of California Santa Cruz campus, and concluded by relating the concerns that the Statutory Advisory Committee had with the new federal changes on computing eligibility for financial aid.

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LEGISLATIVE UPDATE, DECEMBER 2004

Chair Welinsky called upon staff member Kevin Woolfork for an end-of-the-year report for the 2003-04 Legislative Session. Mr. Woolfork discussed legislation on issues affecting postsecondary education, veto messages, and a listing of members of legislative policy and fiscal committees that consider higher education bills. He reported that the Governor signed four of the seven Commission-supported bills and vetoed the other three. Two of these bills – AB 2469 and AB 2615 – were signed into law in late August; the other two – SB 1415 and SB 1785 – both dealing with improvements in student transfer, were signed in late September. Mr. Woolfork reported that the Governor vetoed bills he felt were not consistent with the “Higher Education Compact” or “California Performance Review” process. He continued his report with an update on the new 2005-06 State legislators, who were sworn into office on December 6. Both Houses are busy selecting leadership positions and committee chairs and members. Senator Jack Scott will Chair the Senate Education Committee and retain his chairmanship of the Budget Subcommittee on Education.

Mr. Woolfork reported that former CPEC Commissioner and State Assembly Member Elaine Alquist returned to the Capitol, having been elected to the State Senate in November, as the successor to John Vasconcellos in the 13th Senate District. He also informed the Commission about other former Assembly members who were elected to the Senate. They were: Carole Migden, succeeding John Burton in the 3rd District; Joe Simitian, succeeding Byron Sher in the 11th District; Alan Lowenthal, succeeding Betty Karnette in the 27th District, and Christine Kehoe, succeeding Dede Alpert in the 39th District.

FEDERAL UPDATE, DECEMBER 2004

Chair Welinsky called upon staff member Karl M. Engelbach to update the Commission on recent federal postsecondary education issues. Mr. Engelbach emphasized the new tax tables proposed for the federal needs analysis methodology used to determine student eligibility for federal financial aid. The proposed adjustments would reflect a significant reduction in the estimated amount of Californians’ income presumed to be used for state and local income taxes, thus reducing California student eligibility for federal assistance. He stated that the proposed methodology precedes the upcoming Higher Education Act reauthorization scheduled for implementation in January 2005.

Chair Welinsky noted the Commission’s concerns on this issue and requested a resolution be drafted for adoption by the Commission meeting the following day. The proposed resolution was to be sent to the U.S. Department of Education requesting a delay in the implementation of the proposed changes pending confirmation of California’s state and local income tax burden. He further stated that the resolution should state the Commission’s request to consider waiting until the underlying methodology can be reviewed as part of the upcoming reauthorization of the Higher Education Act.

MOVING THE GOALPOSTS: THE POTENTIAL EFFECTS OF CHANGES IN THE UNIVERSITY OF CALIFORNIA’S ADMISSIONS REQUIREMENTS

Chair Welinsky called upon staff member Adrian Griffin to report on revisions made as a result of Commissioners’ requests from the September 7-8 and October 20, 2004, meetings. Mr. Griffin reported that the report was rewritten to give more emphasis to the overall findings, that there was a stronger connection with the changes made by the University Board of Regents at the July and September meetings, and that an appendix that discussed sampling had been added. He

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noted that the revised report addressed Commissioner Montoya's concerns about language in the Executive Summary.

Director Haberman strongly encouraged the Commission to adopt this report. After some discussion, Chair Welinsky called for a vote. The report was adopted by a majority of Commissioners with Commissioner Montoya voting "Nay", and Commissioners Rodriguez and Shetka "Abstaining".

GUEST SPEAKER: CALIFORNIA STATE TREASURER PHIL ANGELIDES

Chair Welinsky introduced the California State Treasurer, Phil Angelides, to the Commission to report on his proposal for a Hope Endowment to expand Higher Education Opportunities in California.

State Treasurer Angelides reported that the program is designed to expand higher education opportunities and bolster the State's economic competitiveness. He stated that under the proposal, the Endowment, which would become the seventh largest higher education endowment in the nation, could provide more than \$2 billion in funding over the next 10 years to enhance higher education opportunities for California's students. He added that the program would utilize the 21st Century Land Grant of the State's Neglected Real Estate Assets to create a \$5 billion-plus endowment. He explained that State-owned real estate would be placed in a public trust corporation, the Cal Hope Trust, and managed like a business to earn returns for the Endowment that could reach \$300 million annually after its start-up period. He continued that this endowment would fund such efforts as scholarships, outreach and college preparatory programs, and more challenging academic programs at the high school level. He also indicated that the Endowment's revenue would be used to provide financial resources over and above the amount that the State currently spends on higher education.

Commissioners questioned Treasurer Angelides on the source of state funds, proposed budgetary appropriations for higher education, student access to available funds, availability of space for students when enrollments increase, and identification of applicable state properties. Treasurer Angelides indicated that it would probably take two to five years to operationalize the endowment. He also stated that it would not affect military or environmental properties.

RECESS

Chair Welinsky adjourned the meeting for a lunch recess.

RECONVENE

Chair Welinsky reconvened the meeting at 1:50 p.m.

APPROVAL OF CANYON COUNTRY EDUCATION CENTER

Chair Welinsky called on staff member Stacy Wilson to present a review of the Canyon Country Education Center. Mr. Wilson stated that this was a request by the Santa Clarita Community College District to establish an educational center in the community of Canyon Country. He added that this new off-campus facility was intended to enhance access for students residing in the northwest portion of Los Angeles County. He identified a projected growth of 30,000 students by the year 2010 with a strong labor economy.

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Mr. Wilson introduced two district representatives, Dr. Dianne Van Hook, Superintendent-President; and Dr. Barry Gribbons, Vice President, Institutional Development, Technology, and Online Services, Santa Clarita Community College District. Both representatives discussed planning and coordinating activities that had occurred in preparation for the Commission's review.

Discussion followed in terms of academic programs, coursework, and the inability of the district to accommodate additional students in existing facilities and classrooms. The Commission voted unanimously to approve the proposed educational center.

TRANSFER: MAKING IT HAPPEN PROGRAM—AN EVALUATION

Chair Welinsky called on staff member Karl Engelbach. Mr. Engelbach noted that California Education Code Section 69561.5 required the Commission to evaluate the Transfer: Making It Happen program to determine its effectiveness. He stated that there is insufficient information at this point and due to lack of data, CPEC was unable to determine the success and effectiveness of the program and was unable to comment on whether it should be continued or expanded in the future. He stated that despite insufficient information about the effectiveness of the program, should the Governor and Legislature wish to continue the program beyond the current December 31, 2005, sunset date. The Commission unanimously adopted the report, without its third recommendation.

SUMMARY OF HIGHER EDUCATION ACCOUNTABILITY STATUTES IN OTHER STATES

Chair Welinsky called on staff member Jessika Nobles. Ms. Nobles discussed the Commission's "Prospectus: Developing a Framework for Accountability in California's Higher Education System", which had been adopted by the Commission at its last meeting. She stated that in order to move the prospectus forward, Commission staff engaged the Public Law Research Institute at the UC Hastings College of the Law to develop a summary of State statutes on higher education accountability.

Ms. Nobles introduced Professor David J. Jung, and students John H. Lee and Miriam S. Shapira from the Public Law Research Institute at UC Hasting College of the Law to report on accountability statutes found in other states, including statutory goals, performance measures, implementation, responsible agencies, and reporting requirements. Professor Jung noted that institutions from thirty-one states were included in the report. He stated that the initial research identified five issues that were central in the debate over the details of any accountability scheme for higher education. They were: the appropriate degree of delegation, nature and specificity of goals, identification of performance measures, reporting requirements, and enforceability. Discussion followed on the following topics: kind of partnership needed, national accreditation standards, effect of statutes on funding, SB 1331, NCLB statutes, and comparability of courses between states.

Commissioner Kaiser referenced work done by Dr. Nancy Shulock, Director, Institute of Higher Education Leadership and Policy at CSU, Sacramento. After extensive discussion, Chair Welinsky thanked the presenters for their excellent presentation.

FACT SHEETS ON STUDENT FEES AND FINANCIAL AID IN CALIFORNIA HIGHER EDUCATION

Chair Welinsky called on staff member Kevin Woolfork. Mr. Woolfork reported that Items 9A and 9B were summary sheet on changes over time in California's resident student charges and

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student financial aid. He stated that the fact sheets were taken from information contained in the Commission's Fiscal Profiles report, supplemented with data from other sources, both State and national. He mentioned that the purpose of the fact sheets was to provide an overview of developments in a specific area of higher education and to review certain aspects of fees and financial aid as changes occurred over the decades.

He said there have been State policies governing fee levels and rates of increase for nearly 20 years; however, the cycle of changes in fee levels is fairly consistent: fees are generally increased during times when the State needs more revenues and maintained or, even decreased, during strong economic times. He reported that currently Californians are expected to pay for an increasingly larger share of their college education, and revenues from students are now an integral part of the State's higher education funding equation.

Mr. Woolfork reported that the second fact sheet summarized student financial aid programs and the role they played in helping maintain access to higher education in California. He added that while much attention was focused on the State's Cal Grant program, the data showed that Cal Grants account for only about 7% of the financial aid funding received by California students. He further noted that more than half of financial aid money in California came from federally backed student loans.

RECESS

The meeting was recessed at 3:55 p.m. Chair Welinsky reported that the Commission would reconvene at 9:00 a.m. on the next day, December 15, 2004, in Senate Committee Room 112, California State Capitol, Sacramento, California.

RECONVENE

Chair Welinsky reconvened the California Postsecondary Commission meeting to order on December 15, 2004, at 9:10 a.m.

CALL OF THE ROLL

Executive Secretary Anna Gomez called the roll for the second day of the Commission meeting.

ADOPTION OF RESOLUTION ON FEDERAL NEEDS ANALYSIS METHODOLOGY PROPOSAL

Chair Welinsky read a draft resolution, which the Commission had requested the previous day, on its position with regard to delaying proposed changes in the tax tables used in analyzing and determining federal student financial aid. He mentioned such changes could reduce California students' eligibility for federal student aid. He also stated the resolution urged that any changes in the tax tables be postponed until public review and discussion could occur.

The Commission voted to adopt the resolution and thanked Mr. Engelbach for composing the resolution on such short notice.

IMPROVING TEACHER QUALITY (ITQ) STATE GRANTS PROGRAM UPDATE

Chair Welinsky called on staff member Karen Humphrey to provide an update on the ITQ program, including the process for the next Request for Proposals for ITQ grants. Ms. Humphrey presented a brief status report. She stated that there were about twenty Eisenhower projects that were ending, and twenty ITQ projects that were in their second year. She indicated that seven of

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the Eisenhower projects have been extended as dissemination grants. She reported that the Commission funded five scientifically based research projects on the effectiveness of professional teacher development.

Ms. Humphrey distributed a draft of an ITQ brochure to be published in early 2005. After much discussion about the brochure, the ITQ Request for Proposal, and the grant award process, the Commissioners commended Ms. Humphrey on the document and encouraged her to gain support for the RFP process through partnerships. Commissioners also raised questions on the eligibility of Charter High Schools for funding, future funding of the process, Website promotion, county office of education, participation, and creating new partnerships.

FACTORS LIMITING ELIGIBILITY FOR THE UNIVERSITY OF CALIFORNIA

Chair Welinsky stated that this item was prepared in response to a request from the Assembly Higher Education Committee for information on students who narrowly missed becoming eligible for the University of California. He called on staff member Adrian Griffin to address the Commission.

Mr. Griffin noted that the SAT II was the most important limitation on eligibility for graduates who met most, but not all, of UC's admission requirements. He reported that course omissions were the second most important limitation on eligibility. He added that recent changes in the University of California's requirements might have an effect on the numbers, but did not affect the overall findings of his analysis.

After discussion about the process of reviewing reports, Director Haberman reminded Commissioners that this was an example of an in-depth analysis presented as an information item.

FACULTY SALARIES AT CALIFORNIA PUBLIC UNIVERSITIES, 2005-06

Chair Welinsky called on staff member Marge Chisholm for an oral update on faculty salaries. Ms. Chisholm announced that the Commission annually reports on the lag between the salaries paid to faculty at the California State University and the University of California and those projected to be paid at each system's group of comparison institutions. She announced that a report will be presented for discussion at the March 2005 Commission meeting. Ms. Chisholm informed the Commission that at the time, data had not been received from all of the comparison institutions. She stated that based on the data that were received, the projected lag for UC faculty was about 13.4%. She mentioned that the salary differential at the State University is projected to be slightly higher than last year, but that the State University had not projected a specific lag.

Commissioners asked questions regarding comparing salaries and cost-of-living increases, private versus public schools, and long-term trends in particular fields. They acknowledged that this report was time intensive but important, and that compensation was a key component in attracting high quality faculty.

ADJOURNMENT

There being no further business, the Commission adjourned at 10:40 a.m.



Minutes

Meeting of February 3, 2005

COMMISSIONERS PRESENT

Howard Welinsky, Chair
Olivia K. Singh, Vice Chair
Alan S. Arkatov
Irwin S. Field
Lance T. Izumi
Velma Montoya
Evonne Seron Schulze
Rachel Shetka
Faye Washington
Dezie Woods-Jones
Kathleen E. Kaiser, *Alternate*

COMMISSIONERS ABSENT

Ruth E. Green
Hugo Morales
Guillermo Rodriguez, Jr.

CALL TO ORDER

Commission Chair Welinsky called the February 3, 2005, meeting of the California Postsecondary Education Commission to order at 11:00 a.m. via teleconference.

CALL OF THE ROLL

Executive Secretary Anna Gomez called the roll.

DISCUSSION OF THE GOVERNOR'S PROPOSED REORGANIZATION PLAN AND HOW IT AFFECTS THE CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

Chair Welinsky called on Executive Director Murray J. Haberman to provide an update of the Governor's proposed reorganization plan and how it affects the California Postsecondary Education Commission. Director Haberman reported that the Little Hoover Commission held a public hearing regarding the Governor's reorganization plan on January 26, 2005. He stated that the majority of the 35 presenters voiced strong opposition to the Governor's plan, and

that the Little Hoover Commissioners raised many questions regarding the reasons behind the Governor's plan. He reported that California State University provided testimony in which they supported the Governor's proposal to eliminate the Commission and to move its functions, along with the Student Aid Commission and Debt Advisory Council into a new Office for Higher Education and Financial Aid within the Governor's Office. Director Haberman reported that the UC system delivered testimony that recommended an independent Commission. He then discussed the value of maintaining CPEC and the California Student Aid Commission as separate independent bodies.

Chair Welinsky called on Vice Chair Olivia K. Singh to discuss her January 26, 2005, testimony to the Little Hoover Commission on behalf of the Commission. Commissioner Singh discussed her testimony and her experience before the Little Hoover Commission. She reported that due to the number of testimonies presented, she did not deliver her testimony until 4:45 p.m. that afternoon which was unfortunate since several Little Hoover Commissioners had left the meeting. She commended CPEC staff for assisting her in preparing her testimony.

Commissioner Singh also announced that the Senate Rules Committee had reappointed her to the Commission.

Subsequent to Commission discussion regarding the Little Hoover Commission hearing and the Governor's proposed reorganization plan, Chair Welinsky called for a motion to "authorize the

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Executive Director to continue in the present direction pursuing CPEC to continue to be an independent and viable Commission.” Commissioner Woods-Jones moved and Commissioner Montoya seconded the motion. The motion carried unanimously.

The Commissioners discussed the timeline for the outcome of the Little Hoover Commission Hearing on the Proposed Reorganization of Boards and Commissions. Director Haberman noted that the Little Hoover Commission has 60 days to prepare a response to the Governor and Legislature. After receiving a bill consistent with the reorganization plan, the Legislature then has 60 days to vote “yes,” “no” or “take no action;” however, they must vote on the entire legislative package. If the Legislature takes no action, the plan would become law. If the Legislature rejects the reorganization plan, the Governor could request it be rewritten, and a revised plan could be introduced.

Chair Welinsky encouraged all Commissioners to talk to their legislative contacts on the value of CPEC. Commissioner Arkatov recommended that the Executive Director communicate with the Chair of the Little Hoover Commission to discuss CPEC accomplishments.

UNIVERSITY OF CALIFORNIA, REGENTS REPRESENTATIVE

Commissioner Velma Montoya voiced strong support for an independent CPEC, and expressed the importance of the organization to the people of California. She then announced that she would be leaving the Board of Regents on March 1, 2005. Chair Welinsky publicly thanked Commissioner Montoya for her dedication, efforts, and approach to the task of serving on the Commission. Commissioner Montoya then noted that the Regents had appointed Mr. Fred Ruiz as the new Regent representative to the Commission. Mr. Ruiz is a businessman from Dinuba.

ADJOURNMENT

There being no further business, the Commission adjourned at 11:37 a.m.